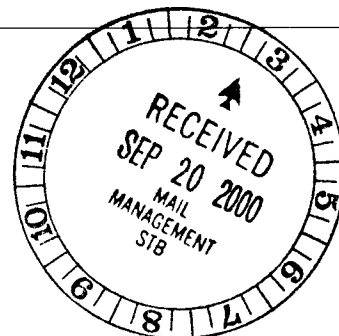


SEP 21 '00 12:50 PM

TS
SURFACE TRANSPORTATION BOARD

SEPTEMBER 9, 2000

MR VERNON WILLIAMS, SECRETARY
SURFACE TRANSPORTATION BOARD
1925 K STREET NW
WASHINGTON, D.C. 20423



DEAR SECRETARY,

I HAVE ENCLOSED AN ORIGINAL AND ONE COUNTERPART OF THE DOCUMENTS DESCRIBED BELOW, TO BE RECORDED PURSUANT TO SECTION 11303 OF TITLE 49 OF THE U.S.CODE.

THIS DOCUMENT IS AN ASSIGNMENT OF LEASE, A SECONDARY DOCUMENT, DATED MAY 30TH, 2000. WE REQUEST THAT THIS ASSIGNMENT BE CROSS INDEXED.

THE NAMES AND ADDRESSES OF THE PARTIES TO THE DOCUMENTS ARE AS FOLLOWS:

MIDWEST RAILCAR CORPORATION (ASSIGNOR), 9876 213TH AVENUE, ELK RIVER, MINNESOTA, 55330 AND THE BANK OF EDWARDSVILLE (THE BANK), 330 WEST VANDALIA, EDWARDSVILLE, IL. 62025.

A DESCRIPTION OF THE EQUIPMENT COVERED BY THE DOCUMENT FOLLOWS

TWENTY (20) 70 TON 52 FOOT 6 INCH ALL STEEL GONDOLA RAILCARS BEARING THE FOLLOWING NUMBERS:ISAX 110 THRU ISAX 129.

A FEE OF \$26 IS ENCLOSED. PLEASE RETURN THE ORIGINAL AND ANY EXTRA COPIES NOT NEEDED BY THE BOARD FOR RECORDATION TO THE BANK OF EDWARDSVILLE, ATTN: DAVID GANSNER, VICE PRESIDENT, 101 SOUTH MORRISON ST., COLLINSVILLE, IL. 62234

A SHORT SUMMARY OF THE DOCUMENT TO APPEAR IN THE INDEX FOLLOWS

A "ASSIGNMENT OF LEASE"BETWEEN MIDWEST RAILCAR CORPORATION, 9876 213TH AVENUE, ELK RIVER, MINNESOTA 55330, THE ASSIGNOR AND THE BANK OF EDWARDSVILLE, 330 WEST VANDALIA, EDWARDSVILLE, IL. 62025, THE ASSIGNEE, COVERING TWENTY (20) 70 TON 52 FOOT 6 INCH ALL STEEL GONDOLA RAILCARS BEARING THE NUMBERS ISAX 110 THRU 129. THIS DOCUMENT IS

CONNECTED TO "FINANCING STATEMENT AND NOTICE OF SECURITY INTEREST
DATED MARCH 30TH, 2000, NOT YET RECORDED.

IF YOU SHOULD HAVE ANY QUESTIONS CONCERNING THIS LETTER PLEASE CALL
ME AT 618-344-6100.

SINCERELY,

A handwritten signature in cursive script, appearing to read "David Gansner". The signature is fluid and extends to the right.

DAVID GANSNER
VICE PRESIDENT

SEP 21 '00

12-50 PM

ASSIGNMENT OF LEASE**SURFACE TRANSPORTATION BOARD**

FOR VALUE RECEIVED, the undersigned, MIDWEST RAILCAR CORPORATION, 9876 213th Avenue, Elk River, Minnesota 55330 (the Assignor), hereby assigns, sets over, and transfers to THE BANK OF EDWARDSVILLE, 330 West Vandalia, Edwardsville, Illinois 62025, an Illinois Banking Corporation (The Bank), its successors and assigns, all of its rights, title, and interest in and to all rentals, charges, claims of rentals, and other monies due or to become due to the undersigned under or arising out of that Lease Agreement, dated January 14, 2000, wherein the Assignor is the Lessor and Metals Management - Ohio, Inc., 1645 Indian Wood Circle, Maumee, OH 43537, is the Lessee, said Lease bearing the date of January 14, 2000, and all amendments to and renewals thereof, together with all other rights, powers, guaranties, and remedies of the Assignor under the Lease, and together with all the right, title, and interest of the undersigned in and to the Commercial Security Agreement and property therein described on Exhibit A as security for the payment of said rentals and other monies, hereby granting full power to The Bank, either in its own name or in the name of the Assignor, to take all legal or other proceedings which the undersigned could have taken but for this assignment, in which case the undersigned shall have no further interest in the Lease, but shall remain liable to observe and perform all the covenants and obligations under the Lease and will be liable for all expenses, including, without limitation, reasonable attorney's fees, incurred by reason of The Bank's exercising its rights as Assignee hereunder. Under no circumstances shall The Bank be required or obligated in any manner to perform any of the obligations of the undersigned pursuant to the Lease by reason of this assignment. The Bank is irrevocably authorized, but not obligated, at any time to exercise all rights and remedies and collect, compromise, and release all rentals and other monies payable under the Lease and to deal with

ASSIGNMENT OF LEASE - PAGE 2

the Lease in such manner and at such time as The Bank may, in its own discretion, deem advisable.

The Lease shall not be amended, and the rights of the parties shall not be altered in any respect, by waiver or otherwise, without the prior written consent of The Bank.

The Bank's waiver of any right or power accruing to it hereunder shall not constitute a waiver of any other right or power, and no forbearance, failure to exercise a power, or course of dealing shall be construed as a waiver of any such right or power unless given in writing.

After performance by the Lessee of the Lease of all its obligations in accordance with the terms thereunder, including payment in full of the rentals payable thereunder, The Bank shall have no further right to, or interest in, the property described in the Lease or the salvage value thereunder, if any, except the right to have recourse thereto or to the value of any proceeds thereof, to the extent of the interest of the undersigned or the Lessee therein, for application towards payment of unpaid obligations of the undersigned or the Lessee, as the case may be, to The Bank, if any, and except as follows:

- (1) If, at any time, the Lessee exercises any option it may have to purchase the leased equipment, The Bank shall have a first and prior claim upon and against all monies paid by the Lessee as a result of the exercise of such option at the time such payment is made.
- (2) If, at any time, the leased equipment is returned because of the failure of the Lessee to exercise its option to purchase, or for any other reason, then upon the subsequent sale of said equipment, The Bank shall have a first and prior claim upon and against all monies paid by any purchaser of the equipment at the time such monies are paid.

Notwithstanding any other provision herein, The Bank acknowledges that the assignment of lease is for collateral security purposes only. As such, assignor shall continue to

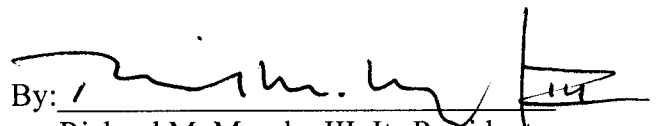
ASSIGNMENT OF LEASE - PAGE 3

exercise all rights and shall be entitled to receive all payments under the lease unless and until as event of default shall have occurred under the Commercial Security Agreement dated May 30, 2000, between the assignor and The Bank.

This Assignment is made in accordance with and pursuant to a certain Note and Commercial Security Agreement dated May 30, 2000, between The Bank and the undersigned Assignor.

In Witness Whereof, the undersigned has made and delivered this Assignment this 25 day of June, 2000.

MIDWEST RAILCAR CORPORATION,
The Assignor

By: 
Richard M. Murphy III, Its President

THE BANK OF EDWARDSVILLE
The Bank


By: 
David W. Gansner, Vice-President

EXHIBIT "A"

Borrower: **MIDWEST RAILCAR CORPORATION**
 9876 213TH AVENUE NORTH WEST
 ELK RIVER, MN 55330

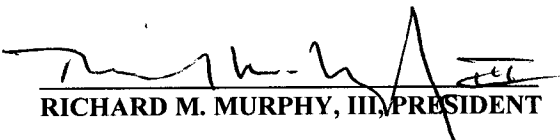
Lender: **THE BANK OF EDWARDSVILLE**
 THE COLLINSVILLE CENTER
 101 SOUTH MORRISON
 COLLINSVILLE IL 62234

This EXHIBIT "A" is attached to and by this reference is made a part of each Promissory Note or Credit Agreement, Security Agreement and Boarding Data, dated May 30, 2000, and executed in connection with a loan or other financial accommodations between The BANK OF EDWARDSVILLE and MIDWEST RAILCAR CORPORATION.

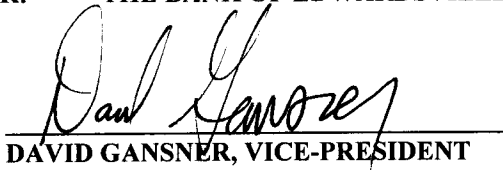
Twenty (20) 70 Ton 52 Foot 6 Inch all steel gondola railcars bearing the numbers ISAX
110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127,
128, and 129

THIS EXHIBIT "A" IS EXECUTED ON MAY 30, 2000.

BORROWER: MIDWEST RAILCAR CORPORATION

By: 
RICHARD M. MURPHY, III, PRESIDENT

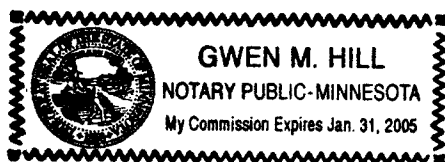
LENDER: THE BANK OF EDWARDSVILLE

By: 
DAVID GANSNER, VICE-PRESIDENT

STATE OF Minnesota }
COUNTY OF Sherburne }

I, the undersigned, a Notary Public in and for the County and State aforesaid, DO
HEREBY CERTIFY that RICHARD M. MURPHY, III, representing himself to be the duly-
elected and acting President respectively of MIDWEST RAIL CAR CORPORATION, and
personally known to me to be the same person whose name appears on the forgoing instrument,
appeared before me this date in person and acknowledged that he signed, sealed, and delivered
and said instrument as his free and voluntary act for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 26 day of June, 2000.



Gwen M. Hill
Notary Public

STATE OF Illinois }
COUNTY OF Madison }

I, the undersigned, a Notary Public in and for the County and State aforesaid, DO
HEREBY CERTIFY that David W. Gansner, representing himself to be the duly-elected
Vice-President of The Bank of Edwardsville and personally known to me to be the same person
whose name appears on the forgoing instrument, appeared before me this date in person and
acknowledged that they signed, sealed, and delivered and said instrument as his free and
voluntary act for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 28 day of June, 2000.

Phyllis Kay Davis
Notary Public

